LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m., on **TUESDAY, DECEMBER 17, 2002,** upon the application of **ELPASOPRODUCTION COMPANY.**

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of an Order pertaining to the following matters relating to the **Hosston Formation**, **Reservoir A and the Cotton Valley Formation**, **Reservoir A**, in the Holly Field, DeSoto Parish, Louisiana.

- To authorize applicant to drill, designate and utilize an additional alternate unit well for HOSS RA SU16 and for CV RA SUA at the location shown on the plats submitted with the application.
- To authorize application to drill, designate and utilize an additional alternate unit well for HOSS RA SU31 and for CV RA SUF at the location shown on the plats submitted with the application.
- 3. To approve exceptions to the well location provisions of Office of Conservation Order No. 88-D, effective February 1, 1975 (applicable to the Hosston Formation, Reservoir A) and of Office of Conservation Order No. 88-E, effective August 1, 1975 (applicable to the Cotton Valley Formation, Reservoir A) for either of the above described wells, the location of which, as shown on the plats submitted with the application, does not comply with the well location provisions of said Orders.
- 4. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the Hosston Formation, Reservoir A and the Cotton Valley Formation, Reservoir A, underlying the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.
- 5. To permit applicant to combine downhole in the proposed alternate unit wells production from the Cotton Valley Formation, Reservoir A, with production from the Hosston Formation, Reservoir A, pursuant to the provisions of Office of Conservation Order No. 88-2, effective May 26, 1976.
- 6. To permit the operator of CV RA SUA and of CV RA SUF to produce the allowables assigned to these units from either the unit well, any alternate unit well, or from any combination thereof, at the option of the operator.
- 7. To consider such other matters as may be pertinent.

The Hosston Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana, is defined in Office of Conservation Order No. 88-D, effective February 1, 1975.

The Cotton Valley Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana, is defined in Office of Conservation Order No. 88-E, effective August 1, 1975.

-8- Page 2

HOLLY FIELD 02-760 thru 02-763

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana or may be found at the following site:

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 11/22/02;11/27/02 S dpe

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION - ENGINEERING DIVISION ATP. O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.